



COSTA MESA SANITARY DISTRICT MINUTES OF BOARD OF DIRECTORS SPECIAL MEETING JANUARY 15, 2004

The Board of Directors of the Costa Mesa Sanitary District attended a duly noticed Special Meeting on January 15, 2004 at 4:00 p.m., in Conference Room 1A at the Civic Center, 77 Fair Drive, Costa Mesa.

Directors Present: Arlene Schafer, Greg Woodside, James Ferryman, Arthur Perry
Dan Worthington

Staff Present: Robin B. Hamers, Manager/District Engineer; Thomas A. Fauth, Assistant Manager; Joan Revak, Clerk of the District; Alan Burns, Legal Counsel; Marc Puckett, District Treasurer; Debbie Bjornson, Permit Processing Specialist; Denise Gilbert, Permit Processing Specialist

I. Consider Issues Relating to Separation from the City of Costa Mesa

A. CMSD Manager/District Engineer's Meeting with City Manager and Director of Public Services on January 7, 2004.

Mr. Hamers reported he met with City Manager Allan Roeder and Director of Public Services Bill Morris. The City Manager discussed the issue of California Water Environment Association (CWEA) certification of the field crews and that he preferred that certification not be a requirement but be captured in the job description as "desirable" and supported the idea of additional compensation for each of the four levels of certification obtained.

Mr. Roeder also stated he supported that new hires to the field crews be District employees and believes there should be no problem with City and District employees working together on the field crews so long as the respective job descriptions and salary ranges were consistent.

B. Consider District Policy on CWEA Certification of Office and Field Personnel

Mr. Hamers reviewed his memo to the Board dated January 12, 2004 recommending the Board consider a position on CWEA certification of office staff and field crew members. After discussion, the Board directed staff to include in documents to be approved by the Board the following position:

CWEA Certification is not required for existing field crew members but is required for new hires or field crew members desiring promotion. Office staff and field crew members shall be compensated at a 1 ½% salary increase for each of the four levels of CWEA certification obtained.

C. Cost Proposal from City on Sharing Field Crews and Treasurer

The District Manager gave a presentation on historical City charges to the District, including indirect costs and how the City calculates them. Mr. Hamers reviewed the mid-1990s discussions and correspondence between the District's consultant Creative Management Solutions, former Treasurer Susan Temple and Mr. Hamers on the possibility of time card tracking to determine the actual indirect costs and how Ms. Temple attempted time card tracking but abandoned it. Mr. Hamers recommended the Board consider a position that direct costs for the field crews are appropriate but indirect costs should be eliminated.

Mr. Hamers also described why compensating the City for indirect costs will cause the District ratepayers to pay twice for these costs. As an example, the District will be paying for a new yard at its new headquarters and the City is proposing to have the District pay for yard costs at the existing City Corporate Yard.

Mr. Hamers also reviewed the benefits of retaining the current Treasurer including the outstanding work performed by Mr. Puckett. Mr. Hamers also reviewed the relative size of the City versus the District and how the accounting function for a small organization will be simpler.

Mr. Puckett reviewed his cost analysis and the attached schedules. The Board also acknowledged Mr. Puckett's service to the District and requested a line item summation of how the four proposed costs to the District were calculated. Mr. Hamers requested Mr. Puckett relay Mr. Hamers' recommendations on proposed costs from the City to the District and reasons therefore to Mr. Roeder.

D. Revised City/District Agreement – 1st Draft

In accordance with Mr. Roeder's request, District Counsel Alan Burns prepared the proposed agreement for review by the Board and the City. After discussion, the Board requested Mr. Burns transmit the agreement to Acting City Attorney Tom Wood for review. The Board requested the City review the draft within 30 days in order to have the comments prior to the next District special meeting scheduled for February 23, 2004.

E. Location of New Administrative Office

Mr. Fauth reviewed the progress to date of procuring a new headquarters for the District.

F. Status of PERS Application, Administrative Rules and Regulations and Personnel Rules

Mr. Fauth reviewed the various documents and the status of each.

G. Direction to Staff

The Board directed Staff to continue on each of the above items and any other related items necessary to relocate the District headquarters.

II. Public Comments

There were no members of the public present and no public comments made.

The meeting adjourned at 6:22 p.m.

Secretary

President